

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2318 - SB 2301

February 12, 2022

SUMMARY OF BILL: Requires the design of registration and license plates for disabled drivers incorporate the color scheme, base design, and details used on standard registration and license plates.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – \$572,100/FY22-23

Other Fiscal Impact – TRICOR will receive \$572,100 in revenue in FY22-23 to compensate for production, warehousing, and distribution costs.

Assumptions:

- Based on information provided by the Department of Revenue (DOR), there are 185,769 currently issued plates that would need to be replaced as a result of the legislation.
- The cost incurred by DOR to replace the plates is reasonably estimated to be \$2.73 per plate.
- The cost to replace currently issued plates is estimated to be \$507,149 (185,769 x \$2.73).
- There is an existing stock of plates for disabled drivers that have not been issued that will also need to be replaced.
- Based on information provided by the Department of Revenue, the cost to replace the stock of unissued plates is reasonably estimated to be \$65,000.
- The increase in state expenditures as a result of the legislation is estimated to be \$572,149 (\$507,149 + \$65,000) in FY22-23 and will be payable to TRICOR for production, warehousing, and distribution.
- The actual cost of production for TRICOR is estimated to be \$2.05 per plate, resulting in net revenue to TRICOR of \$0.68 per plate.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/mk